

U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs

NEWS RELEASE

FOR RELEASE: July 20, 2001

CONTACT: Dian Lawhon
(202) 208-3985
John Romero (Pacific OCS issues)
(805) 389-7533

**MMS ISSUES DRAFT PROPOSED OUTER CONTINENTAL
SHELF OIL AND GAS LEASING PROGRAM 2002-2007**

The Minerals Management Service is proposing to hold 20 oil and natural gas lease sales in the federal outer continental shelf between 2002 and 2007. The proposal, entitled Draft Proposed Outer Continental Shelf Oil & Gas Leasing Program 2002-2007, will be published in Monday's *Federal Register*. It includes sales in the Gulf of Mexico's Western, Central and part of the Eastern planning areas; and Alaska's Beaufort Sea, Norton Basin, Cook Inlet/Shelikof Strait and the Chukchi Sea/Hope Basin. **The draft proposal does not include any areas currently under moratoria or presidential withdrawal. Therefore OCS areas offshore California, Oregon and Washington are NOT included in the draft proposed Oil and Gas Leasing Program 2002-2007.**

According to Tom Kitsos, MMS acting director, "We are proposing to hold 20 offshore lease sales during the next five years in an effort to help this country meet its energy demands of the future. Even with increased conservation efforts, we are confronted with a national energy problem where our dependence on foreign oil will continue as well as increased reliance on natural gas—an environmentally preferable fuel primarily produced domestically."

Over the next 20 years, U.S. oil consumption will rise 33 percent, natural gas needs will grow more than 50 percent and demand for electricity will rise 45 percent. The nation now relies on foreign imports for almost 60 percent of its oil. Last winter, heating bills for many families tripled and average natural gas heating costs in the Midwest rose 75 percent.

Kitsos added, "As we prepare the 2002-2007 leasing program, we will work in consultation with our constituents to develop a program that is environmentally responsible and offers a judicious approach toward advancing an important part of our national strategy for energy independence."

As required by law, the MMS is preparing a new 5-year program to succeed the current one that ends June 30, 2002. Today's draft proposed program is the second step in the lengthy planning process. The first step began in December 2000 with a request for comments and information. After considering more than 10,000 comments that were received and analyzing the available areas of the OCS, the MMS developed the draft proposed schedule of lease sales for 2002-2007.

The agency is seeking comments from the public for 60 days on the draft proposed program. After the comment period closes, the agency will prepare a proposed program and issue a draft Environmental Impact Statement (EIS). Both the proposed program and draft EIS will be followed by a 90-day comment period, to be scheduled later this year. The MMS plans to issue a proposed final program and final EIS in spring 2002. The Secretary of the Interior must review and approve the final 5-year leasing program. It is scheduled to become effective July 1, 2002.

**Draft Proposed OCS Oil and Gas
Leasing Program 2002-2007, page 2 of 2**

The draft proposed program decision document, which presents detailed information concerning the analyses and options on which the program is based, may be downloaded from the website at www.mms.gov, and comments may be sent by electronic mail to MMS5-year.document@mms.gov. Comments can also be mailed to 5-Year Program Manager, Minerals Management Service (MS-4430), 381 Elden St., Herndon, VA 22070. The MMS will accept hand deliveries at 1849 C Street, NW, Room 4230, Washington, D.C. Envelopes or packages should be marked "Comments on Draft Proposed OCS Oil and Gas Leasing Program for 2002-2007."

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and [disburses mineral revenues](#) from federal and Indian leases. These disbursements totaled nearly \$8 billion last year and more than \$110 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues goes into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

Proposed schedule of lease sales for 2002-2007:

Sale No.	Area	Year
184	Western Gulf of Mexico	2002
185	Central Gulf of Mexico	2003
186	Beaufort Sea	2003
187	Western Gulf of Mexico	2003
188	Norton Basin	2003
189	Eastern Gulf of Mexico	2003
190	Central Gulf of Mexico	2004
191	Cook Inlet/Shelikof Strait	2004
192	Western Gulf of Mexico	2004
193	Chukchi Sea/Hope Basin	2004
194	Central Gulf of Mexico	2005
195	Beaufort Sea	2005
196	Western Gulf of Mexico	2005
197	Eastern Gulf of Mexico	2005
198	Central Gulf of Mexico	2006
199	Cook Inlet/Shelikof Strait	2006
200	Western Gulf of Mexico	2006
201	Central Gulf of Mexico	2007
202	Beaufort Sea	2007
203	Chukchi Sea/Hope Basin	2007

-MMS-

MMS website address: <http://www.mms.gov>